

QUARTERLY BUSINESS SURVEY NO. 4

PRELIMINARY RESULTS

I Incidence of Industrial Awards.

II Movements in Stocks.

I Incidence of Industrial Awards

Introduction

The preliminary results of Quarterly Business Survey No. 4 reveal that 15% of males and 10% of females are not covered by awards, while 85% of males and 90% of females are working under awards of either Commonwealth or State industrial authorities. Of the males 39% are under awards of Commonwealth Authorities, and 46% under awards of State Authorities. 40% of the females are under Commonwealth awards and 50% under State awards.

These figures relate only to persons in private employment. They exclude rural industry, forestry, shipping and stevedoring and the employees of persons not subject to Pay-roll tax (i.e. paying less than £20 per week in wages). They cover just over 1,000,000 males and 420,000 females out of a total employment of 1,695,300 males and 639,600 females (excluding rural and household domestic).

In the preliminary estimate it has only been possible to make the broad distinction between those not covered by awards or covered by State or Commonwealth awards respectively. At a later date estimates will be made for some of the more important individual awards. It should be noted that persons employed under registered agreements have been treated as being under awards, Commonwealth or State according to the body with which the agreement is registered. Those employed under unregistered agreements were regarded as not being under any award. "Employees affected by awards" was defined to mean those whose wages and conditions were directly determined by an award. It included those whose wages and conditions, though better than ward, were normally varied in accordance with variations in an award, but excluded those whose wages and conditions were not so varied even though they were entitled to some minimum payment under an award.

Variation between main industrial groups.

Table I shows the variation between the main industrial groups in respect of the incidence of awards.

Among males the highest proportions not covered by awards are found in the banking, insurance and other finance and property offices with 26% and in the "all other" group with 25%. This "all other" group includes entertainment, sport, hotels and catering establishments and also professional undertakings (education, law, accountancy, etc.). The high proportion for the group as a whole is largely accounted for by these professional undertakings in which the proportion not covered by any awards is of the order of 60%. Commonwealth awards are most important in the mining industry where they cover 51% of total employees (the various special coal industrial authorities were regarded as Commonwealth) and in manufacturing where they covered 49% of all employees. In manufacturing State awards (38% of employees) are also important, and in banking and insurance the field is well divided between Commonwealth and State authorities (37% and 42% respectively). In all other groups State authorities far outweigh the Commonwealth in respect of numbers covered - building, road and air transport, and trading all having 60% or more of their male employees covered by State awards.

Table 1.

INCIDENCE OF AWARDS BY MAIN INDUSTRIAL GROUPS - AUSTRALIA -  
MARCH, 1948.

Industry	Total employees '000	Employees included in estimates '000	Not covered by awards %	C'lhs awards %	Covered by State awards %
M A L E S					
Mining	51.5	42.7	19	51	30
Manufacturing	663.1	570.4	13	49	38
Building	164.9	50.7	8	32	60
Transport & Communication	260.0	35.7	17	20	63
Banking, insurance, etc.	48.9	48.2	26	32	42
Trading	233.1	198.8	19	17	64
All Other	273.8	57.3	25	20	55
<b>TOTAL:</b>	<b>1,695.3</b>	<b>(a) 1,003.8</b>	<b>15</b>	<b>39</b>	<b>46</b>
F E M A L E S					
Manufacturing	213.4	206.4	9	59	32
Banking, insurance, etc.	24.2	24.0	7	44	49
Trading	140.2	112.9	5	16	79
All Other	261.8	77.4	19	24	57
<b>TOTAL:</b>	<b>659.6</b>	<b>(a) 420.7</b>	<b>10</b>	<b>40</b>	<b>50</b>

(a) Governmental employment, mainly excluded from the estimates was 480,000 males and 94,100 females.

Among females the "all other" group has the highest proportion not covered by awards (19%). The professional group probably has 50% not under awards but the proportion is also high among the comparatively few females in mining, building and transport industries (mainly, of course, clerical workers). Commonwealth awards are again most important in manufacturing where they cover 59% of employees. In trading activities State awards cover as many as 79% of employees, as against 16% under Commonwealth awards (Even many of these 16% are engaged in subsidiary manufacturing activities each firm being grouped according to its major activity).

#### Variations between States.

There are naturally considerable differences between individual States, as shown in Table 2.

Table 2.

INCIDENCE OF INDUSTRIAL AWARDS BY STATES - MARCH, 1948.

State	M a l e s				F e m a l e s			
	Number covered by estimates '000	Not under awards %	Under C'lhs awards %	Under State awards %	Number covered by estimates '000	Not under awards %	Under C'lhs awards %	Under State awards %
N.S.W.	423.3	15	39	46	180.3	10	43	47
Vic.	296.8	16	50	34	138.4	9	46	45
Q'ld.	108.4	12	14	74	40.4	7	22	71
S.A.	87.5	18	46	36	31.7	15	38	47
W.A.	58.8	17	8	75	20.3	12	24	64
Tas.	29.0	16	48	36	9.6	16	29	55
<b>TOTAL:</b>	<b>1,003.8</b>	<b>15</b>	<b>39</b>	<b>46</b>	<b>420.7</b>	<b>10</b>	<b>40</b>	<b>50</b>

The difference in the proportions not covered by awards, though they are quite considerable relative to the average, do not appear to be of great significance. The percentage is somewhat above average for both males and females in South Australia, and rather below in Queensland which has a larger proportion of its employees covered by awards than any other State. A relatively large proportion of women in Tasmania is not covered by awards.

Of more importance are the differences between States in the coverage of Commonwealth and State awards respectively. State awards are predominant in Queensland and Western Australia, about 75% of male employees in both States being covered, and 71% of females in Queensland and 64% in Western Australia. In both States less than 15% of the males and only about 20% of the females are covered by Commonwealth awards. The percentages for men in New South Wales are exactly the same as for the Commonwealth as a whole, but as compared with the average for females N.S.W. appears to have a slightly higher proportion covered by Commonwealth awards (43%) and slightly less by State awards (47%). The other three States are very similar so far as males are concerned with about 50% or a bit less covered by Commonwealth awards, and about 25% by State.

Among women in Victoria, Commonwealth and State awards are of equal importance (rather similar to N.S.W.), but in both South Australia and Tasmania, State awards (covering 47% and 55% respectively) are more important than Commonwealth (38% and 29% respectively). As was seen earlier it is in manufacturing industries that Commonwealth awards are of relatively greatest importance, and it is, therefore, natural to find Commonwealth awards of greatest relative importance in those States where the proportion of female employees engaged in manufacturing industries is highest - namely Victoria, New South Wales and South Australia.

#### Comparison between Commonwealth and State authorities.

It has been pointed out that in total, more employees are covered by State awards than by Commonwealth awards. Among males Commonwealth awards are relatively more important in Victoria, South Australia and Tasmania, while among females State awards are more important in all States except Victoria where State and Commonwealth are of about equal importance. However, when one makes a comparison between the Commonwealth authorities on the one hand and those of individual States on the other, the Commonwealth authorities, which virtually means the Commonwealth Court of Conciliation and Arbitration and the Conciliation Commissioners (i.e. disregarding the various coal industry tribunals) is easily the most important. This is clearly shown in Table 3.

Table 3.

#### RELATIVE IMPORTANCE OF COMMONWEALTH AND STATE AWARDS - AUSTRALIA - MARCH, 1948.

	% of Males covered	% of Females covered
Commonwealth awards	39	40
N.S.W. State awards	19	20
Victoria State awards	10	15
Queensland State awards	8	7
W.A. State awards	5	3
S.A. State awards	3	4
Tasmania State awards	1	1
Total covered by awards	85	90
Not covered by awards	15	10
	100	100

It will be seen that awards of the Commonwealth Court affect just twice as many people as those of the N.S.W. industrial authorities which are next in importance.

The predominance of the Commonwealth Court is, however, even greater in view of the indirect effects of Commonwealth awards. In Victoria, for instance, wages boards are required to follow a federal award wherever prescribed conditions are relevant, and in New South Wales the Industrial Commission follows the Commonwealth Court in the matter of a basic wage. In other States the Commonwealth Court is not followed so directly.

## II. Movements in Stocks

Final tabulation of the results of the Quarterly Survey No.2 suggests that the value of the stocks held by manufacturers and traders in Australia increased during 1946-47 by about a third from £335m to £440m. This increase was equal to more than 10% of all expenditure by consumers during the year, and was greater than the expenditure of business firms on new buildings and capital equipment.

The biggest increase was in traders' stocks which increased nearly 50% from £110m to £160m. Increase in wholesalers' stocks was 55% and in the retailers' stocks 40%.

Manufacturers' stocks increased nearly 25% from £225m to £275m, nearly all industries showing substantial increases.

Quarterly Business Survey No.2 also asked for an estimate of stocks as at the end of September 1947, while Quarterly Business Survey No.3 asked for estimates as at the end of September 1947 and March 1948. The preliminary comparison of the September figures in many returns indicated that a number of firms had revised their earlier estimate while a number of others had used a different basis of estimation in the two returns. It is thus only possible at this stage to give a general indication of stock movements since the annual stocktaking at the end of 1946-47.

The results of the two surveys taken in conjunction suggest that the accumulation of stocks has been continuing but at a much reduced rate. The indication is that by the end of the 1947-48 financial year the value of stocks held will have increased by about £65m or roughly 15% of the value of stocks held at the 1947 stocktaking. Considering that wholesale prices during 1947-48 have increased at a rate equivalent to about 12% for a full year (as against about 4% for 1946-47) the physical increase in stocks has presumably been fairly small, and the bulk of the increased value shown has been due to higher prices.

Traders' stocks will probably have increased by about £20m from £160m to £180m, which is about 12%. This increase is almost equally divided between wholesalers and retailers, but as the total value of retailers' stocks is lower than those of wholesalers, the rate of increase has been faster - about 15% for retailers, and about 10% for wholesalers.

Manufacturers' stocks will have increased by some £45m or about 15% of their holdings at their 1947 stocktaking. The largest increases have been in paper and printing, and chemical manufacturing with increases in value of stocks of the order of 33% and 50%. Food processing and textile manufacturing showed a moderate increase of about 10 to 15%, while increases of 5 to 10% occurred in engineering and vehicles building and clothing manufacturing.

It is noticeable that whereas in 1946-47 traders' stocks increased considerably faster than manufacturers', during 1947-48 manufacturers' stocks tended to increase a little faster than traders' stocks. Insofar as the rate of increase in stock holdings did little more than keep pace with the rise in prices it is possible that a more or less stationary physical volume of stocks has been achieved and that in general, stocks have reached the level necessary for a fairly even flow of goods even though in particular industries stocks are still inadequate.

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA. A.C.T.

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